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ABSTRACT

The Federal Work-Study (FWS) Program allows undergraduate and graduate students to work part-time to help pay for the cost of their education. Schools must use 75% of their FSW Program funds to compensate students employed in community service jobs. This volume describes the ways schools are required to use money from FSW program funds to compensate students in community service jobs. The chapters are: (1) "Participation, Fiscal Procedures, and Records"; (2) "Selecting Recipients & Assigning Jobs"; (3) "Calculating FWS Awards"; (4) "Paying Students"; (5) "Types of Employment"; and (6) "Job Location & Development and Work-Colleges." (SLD)

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Federal Work-Study

2002-2003

Volume #6

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Federal Student Aid

Handbook

Volume 6 of 9

Application and Verification Guide

Student Loan Guide

Volume 1: Student Eligibility

Volume 2: Institutional Eligibility and Participation

Volume 3: Federal Pell Grant Program

Volume 4: Campus-Based Common Provisions

Volume 5: Perkins Loans

Volume 6: Federal Work-Study

Volume 7: FSEOG

Volume 8: Direct Loan and FFEL Programs

Volume 9: State Grant Programs

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Introduction

Through the Federal Work-Study (FWS) Program, undergraduate and graduate students work part-time to help pay for the cost of their education. Schools must use 7% of their FWS Program funds to compensate students employed in community service jobs.

Participation, Fiscal Procedures, & Records

CHAPTER 1

The Department allocates FWS funds to schools according to the statutory formulas in section 442 of the Higher Education Act of 1965. Schools must use and maintain FWS funds according to the procedures of the Federal Work-Study Program.

PROGRAM PARTICIPATION AGREEMENT

Program Participation Agreement cite
34 CFR 675.8

A school that wants to participate in any Federal Student Aid (FSA) Program must sign a Program Participation Agreement with the Secretary. (See *Volume 2 - Institutional Eligibility and Participation* for more general information about the Program Participation Agreement.)

Under the Program Participation Agreement, schools participating in the Federal Work-Study (FWS) Program must:

- make FWS employment reasonably available, to the extent of available funds, to all eligible students;
- award FWS employment, to the maximum extent practicable, that will complement and reinforce each recipient's educational program or career goals;
- assure that FWS employment may be used to support programs for supportive services to students with disabilities; and
- inform all eligible students of the opportunity to perform community services and consult with local nonprofit, governmental, and community-based organizations to identify those opportunities.

CASH MANAGEMENT

When administering the FWS Program, schools must adhere to the cash management requirements of the General Provisions, which apply to all FSA programs (see volume 2).

Chapter 4 addresses additional procedures for paying FWS students.

Reduction of allocation cite
34 CFR 673.4(d)(3)

ALLOCATION AND REALLOCATION

As discussed in *Volume 4 - Campus-Based Programs Common Provisions*, a school applies for program funds annually through the electronic *Fiscal Operations Report and Application to Participate* (FISAP). The Department allocates funds directly to schools.

If a school returns more than 10% of its FWS allocation for an award year, the school's allocation for the second succeeding award year will be reduced by the dollar amount returned, unless the Department waives this provision. The Department may do so for a specific school if the Department finds that enforcement would be contrary to the interests of the program. The Department considers enforcement to be contrary to the interests of the program only if the school returned more than 10% of its allocation due to circumstances that are beyond the school's control and are not expected to recur.

Reallocation cite
HEA Section 442(d)

Unexpended funds returned to the Department will be reallocated to an eligible school that used at least 5% of its total FWS allocation to pay students employed as reading tutors of children or performing family literacy activities in family literacy projects in the preceding award year. A school must request the reallocated FWS funds, and the school must have a fair-share shortfall to receive these funds. A school must use all the reallocated funds only to pay students employed in community service jobs.

Requesting reallocated FWS funds cite
Dear Partner Letter CB-99-17, dated September 1999

TRANSFER OF FUNDS

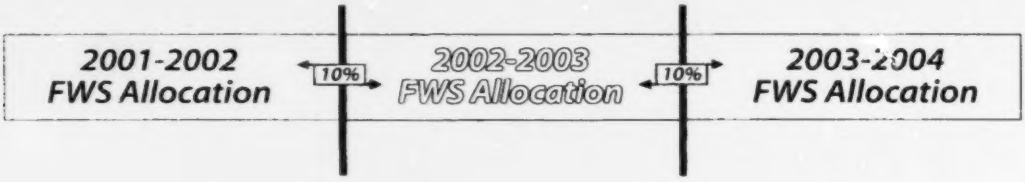
Transfer of funds to FSEOG cite
34 CFR 675.18(e)

Your school may transfer up to 25% of its total FWS allocation (initial and supplemental) to the FSEOG Program. The Department's permission is not required. Note that this total FWS allocation for an award year does not include FWS funds carried forward or carried back into the award year from other award years (see the chart below). The school must report any transfer of FWS funds to FSEOG as an expenditure on its FWS *Fiscal Operations Report*. However, a school that transfers funds to the FSEOG Program from the FWS Program during an award year must transfer any unexpended FWS funds **back** to the FWS Program at the end of the award year. (The FSEOG regulations prohibit the transfer of funds **from** the FSEOG Program to any other program.)

Your school may spend up to 10% of its current year's FWS allocation (initial and supplemental) in the **following** award year (carry forward). Before a school may spend its current year's allocation, it must spend any funds carried forward from the previous year.

Your school is also permitted to spend up to 10% of its current year's FWS allocation (initial and supplemental) for expenses incurred in the **previous** award year (carry back).

Carry Back/Carry Forward



You may "carry back" funds for summer employment; that is, you may use any portion of your school's initial and supplemental FWS allocations for the current award year to pay student wages earned on or after May 1 of the previous award year but prior to the beginning of the current award year (July 1). For example, a school is authorized to carry back any portion of its funds allocated from the 2002-2003 award year to pay FWS wages for summer employment between May 1, 2002 and June 30, 2002 (including both those dates).

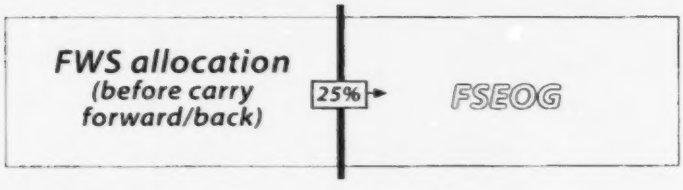
On the FISAP, you must report funds that your school carries back and carries forward. The official allocation letter for a specific award period is the school's authority to exercise these options. A school may not carry forward or back FWS funds to any award year in which there is no specific FWS allocation.

LIMITATIONS ON USE OF FUNDS CARRIED FORWARD OR BACK

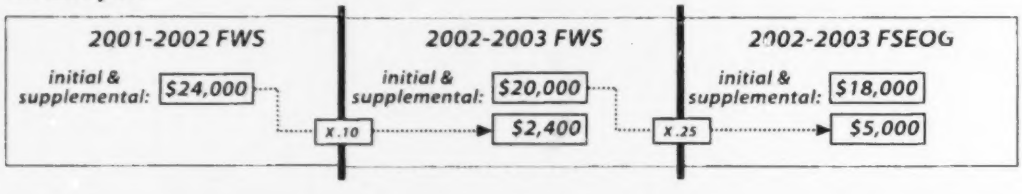
Schools are not permitted to add funds that are carried forward or back to the total FWS allocation for an award year when determining the maximum percentage of available funds that may be used in that award year for any of the following purposes (see next page):

Carry forward/carry back cite
34 CFR 675.18(b)
34 CFR 675.18(c)

Transfer from FWS to FSEOG



Example



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- the transferring of FWS funds to FSEOG;
- providing the federal share of wages in private for-profit sector jobs; or
- the Job Location and Development (JLD) Program.

For example, for the 2002-2003 award year, a school may not add to the 2002-2003 total FWS allocation any FWS funds carried forward from 2001-2002 or carried back from 2003-2004 when determining the maximum percentage of available funds that may be used in 2002-2003 for the purposes listed above. The maximum amount usable for each of the three purposes listed in the previous paragraph is the appropriate percentage of a school's total 2002-2003 original FWS allocation plus any supplemental 2002-2003 FWS allocation.

FEDERAL SHARE LIMITATION

The federal share of FWS wages paid to a student may not exceed 75%, with the following exceptions:

- The federal share of FWS wages paid to a student employed by a **private for-profit** organization may not exceed 50%.
- The FWS regulations authorize a 100% federal share of FWS wages paid to a student who is employed as a reading tutor for preschool-age children or elementary school children, a mathematics tutor for children in elementary school through ninth grade, or is performing family literacy activities in a family literacy project that provides services to families with preschool-age children or elementary school children. The work performed by the student must be for the school itself, for a federal, state, or local agency, or for a private nonprofit organization. A school is not required to ask the Department for a waiver of the FWS nonfederal share requirement to receive the 100% federal share authorization for an FWS student employed in one of these jobs. Instead, the school should use 100% federal dollars to pay such a student and then show on its FISAP that it did so. A discussion of employing FWS students as tutors and in family literacy projects is in chapter 5 of this volume.
- The Department may authorize a federal share of 100% of FWS wages at schools designated as eligible schools under 34 CFR parts 606, 607, 608 or 609 (see chart). The work performed by the student must be for the school itself, for a federal, state, or local public agency, or for a private nonprofit organization. Your school is considered to have applied for a waiver of the nonfederal share requirement if your school is designated as an eligible school and your school submits a complete FISAP by the established deadline. Such schools will receive a letter from the Department indicating that they have been granted a waiver

Part 606 ▷
Developing Hispanic-Serving Institutions Program
Part 607 ▷
Strengthening Institutions Program
American Indian Tribally Controlled Colleges and Universities Program
Alaska Native and Native Hawaiian-Serving Institutions Program
Part 608 ▷
Strengthening Historically Black Colleges and Universities Program
Part 609 ▷
Strengthening Historically Black Graduate Institutions Program

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of the FWS nonfederal share requirement. (For more information, see pages 3-10 to 3-11 of **The Blue Book**, published February 2001.)

- The FWS regulations authorize a school to pay a federal share of FWS wages to a student in excess of the current 75% limit but not exceeding 90% under the following specific conditions:
    - The student is employed at a private nonprofit organization or a federal, state, or local public agency. (Employment at the school itself is not eligible.)
    - The school does not own, operate, or control the agency. To satisfy this requirement, your school must keep a statement in the school's file, signed by both the agency and the school, stating that they have no such relationship.
    - The school selects the agency on an individual, case-by-case basis. This requirement is satisfied when the school selects the agency through its normal process of selecting potential employers.
    - The agency must be unable to pay the regular nonfederal share. To satisfy this requirement, the school must keep in its file a signed letter from an official of the agency stating that the agency cannot afford to pay the regular nonfederal share.
    - The 90% federal share is limited to no more than 10% of the students paid under the FWS Program. For purposes of this calculation, the school must use the total number of FWS students paid during the current award year. The 10% limit on the number of students paid with the 90% federal share does not include students whose FWS wages have been exempted from the full nonfederal share requirement due to being employed as a reading tutor, mathematics tutor, or performing family literacy activities.

The federal share of FWS wages paid to a student may be lower than 75% if the employer chooses to contribute more than the minimum required nonfederal share. For example, if a school has a large demand for FWS jobs from its various departments, it may contribute more than the usual 25% to allow for additional employment.

The federal share may **not** be used to provide fringe benefits such as sick leave, vacation pay, or holiday pay or employer's contributions to Social Security, Workers' Compensation, retirement, or any other welfare or insurance program. These restrictions on the federal share apply even when the Department authorizes a federal share of 100% of FWS wages.

Federal shares cites

Federal share limitation
34 CFR 675.26(a)(1)

Private for-profit organizations
34 CFR 675.26(a)(3)

Reading tutor and family literacy projects
34 CFR 675.26(d)

Strengthening institutions
34 CFR 675.26(d)

90% federal share
34 CFR 675.26(a)(2)

Restrictions cite
34 CFR 675.26(b)

JLD cite
34 CFR 675.33(b)

Wages from Federal Agency

The portion of the FWS wages contributed as the institutional share by a federal off-campus agency are not considered part of the "federal share." Thus, a federal agency may provide the required share of student compensation normally paid by off-campus agencies plus any other employer costs that they agree to pay.

The federal share of allowable costs in carrying out the JLD Program may not exceed 80% of such costs. (See chapter 6 of this volume.)

NONFEDERAL SHARE

The nonfederal share of a student's FWS wages must be at least 25% each award year, except in the cases listed above. (See previous section.)

Nonfederal share cite
34 CFR 675.27

Your school may use any resource available to pay its share of FWS compensation except federal funds allocated under the FWS Program. The school's share may come from its own funds, from outside funds (such as from an off-campus agency), or from both. However, if a student is employed by a private, for-profit organization, that organization must provide the nonfederal share.

Your school may also pay the institutional share with noncash contributions (see chapter 4). If the school's noncash contribution is less than the remaining 25%, the school must make up the difference in cash.

If the Department grants an institutional-share waiver to a school that is designated as an eligible school under 34 CFR parts 606, 607, 608 or 609 (see chart on previous page), that school has the **option** of providing an institutional share and determining the amount of the share. However, the institutional share requirements for employment provided by a private for-profit organization (50% federal-share limitation) or for the administration of the JLD Program (80% federal-share limitation) are never waived.

Excess funds cite
34 CFR 675.26(c)

If a school receives more money under an employment agreement with an off-campus agency than the sum of (1) required employer costs, (2) the school's nonfederal share, and (3) any share of administrative costs the employer agreed to pay, the school must handle the excess in one of three ways:

- use it to reduce the federal share on a dollar-for-dollar basis;
- hold it in trust for off-campus employment during the next award year; or
- refund it to the off-campus employer.

Funds from programs sponsored by federal agencies (such as the National Science Foundation or the National Institutes of Health) may be used to pay the nonfederal share, as long as the programs have the authority to pay student wages. A school should contact the appropriate federal agency to see if the program in question does have this authority.

USE OF ALLOCATED FUNDS

An approved school may use part of its FWS allocation for the purpose of meeting the costs of the Work-Colleges Program discussed in chapter 6.

A school may use up to 25% of its FWS allocation and reallocation for an award year to pay the wages of FWS students employed by private for-profit organizations.

Community service jobs

There are two community service expenditure requirements that a school must meet. First, a school must use at least 7% of its FWS federal allocation for an award year to pay the federal share of wages to students employed in community service jobs for that year. Second, in meeting this 7% community service requirement, one or more of the school's FWS students must be employed as a reading tutor for children in a reading tutoring project or performing family literacy activities in a family literacy project.

7% cite
34 CFR 675.18(g)

A school may request a waiver of either or both of these requirements by providing in writing detailed information to support its waiver request. The waiver request must be received by the deadline that is published annually in the Federal Register. The Department will approve a waiver only if it determines that the school has demonstrated that enforcing the requirements would cause a hardship for students at the school. The fact that it may be difficult for the school to comply with these requirements is not, in and of itself, a basis for granting a waiver.

The Department issues a letter annually on the FWS community service waiver process and deadline. To request a waiver for the 2002-2003 award year, a school must submit its waiver request and any supporting information to the Department by June 28, 2002. The waiver request must be signed by an appropriate school official, and above the signature the official must include this statement. "I certify that the information I provided in this waiver request is true and accurate to the best of my knowledge. I understand that the information is subject to audit and program review by the U.S. Department of Education." If a school official has any questions regarding the FWS community service expenditure requirements or waiver procedures, he or she may contact FSA's Campus-Based Operations at (202) 377-3174.

Waiver request statement cite
Dear Partner Letter CB-00-08, dated May 2000

The Department has not specified the circumstances that would allow a school to receive a waiver of the community service requirements in order to allow flexibility for consideration of all factors that may be valid reasons for a waiver. The Department in the past has approved a limited number of waivers of the community service expenditure requirements for schools that have demonstrated that enforcing these requirements would have caused a hardship for their students. (See examples of waiver requests approved by the

Department in the box on the facing page.) These examples are not the only circumstances that may result in approval of a waiver request.

FWS community service expenditures for the 2001-2002 award year are reported on the FISAP that is due October 1, 2002.

When a school receives reallocated FWS funds, the minimum amount of FWS federal funds the school must expend on community service jobs is the greater of:

7% of its total FWS federal allocation for an award year; or

100% of the amount of its reallocated FWS federal funds.

OFF-CAMPUS AGREEMENTS

Off-campus agreements cite
34 CFR 675.20(b)

If your school would like an off-campus organization to employ FWS students, your school must enter into a written agreement—a contract—with the off-campus organization. The school must make sure the off-campus organization is a reliable agency with professional direction and staff and that the work to be performed is consistent with the purpose of the FWS Program. (See Appendix A at the end of this chapter for a model off-campus agreement. The sample need not be followed exactly but serves as a guide.)

The agreement should specify what share of student compensation and other costs will be paid by the off-campus organization. For-profit organizations **must** pay the nonfederal share of student earnings. Any off-campus organization **may** pay:

- the nonfederal share of student earnings;
- required employer costs, such as the employer's share of Social Security or Workers' Compensation; and
- the school's administrative costs not already paid from its ACA.

The agreement sets forth the FWS work conditions and establishes whether the school or the off-campus organization will be the employer for such purposes as hiring, firing, and paying the student. The employer is generally considered to be the entity that will control and direct the work of the FWS students—supervising them at the work site, regulating their hours of work, and generally ensuring that they perform their duties properly. However, the school is ultimately responsible for making sure that payment for work performed is properly documented and that each student's work is properly supervised.

The agreement should define whether the off-campus organization will assume payroll responsibility and bill the school for the federal share of the students' wages, or whether the school will pay the students and bill the off-campus organization for its contribution. The school must make up any payments the off-campus organization does not make. It is the school's responsibility to ensure that FWS payments

COMMUNITY SERVICE APPROVED WAIVER EXAMPLES

Case Study #1 - Small FWS allocation

The school had a very small FWS allocation. The supporting information submitted by the school noted that 7% of the school's allocation only provided enough funds for a student to work for a short period of time. Therefore, the school was unable to find placement for a student in community service.

Case Study#2 - Rural area

The school was in a rural area that was located far away from the types of organizations that would normally provide community service jobs. The school provided information that showed that its students lacked the means of transportation to get to the town where the community service jobs were located. In a similar waiver request in which transportation did exist, a school provided documentation that showed that the transportation costs were extremely high for the students.

Case Study #3 - Specialized program

The school offered only a single program of specialized study that required its students to participate in extensive curriculum and classroom workloads. The school provided information that demonstrated that this specialized educational program prevented the students from performing community service jobs at the time those work opportunities were available.

These examples are not the only circumstances that may result in approval of a waiver request.

are properly documented, even if the off-campus organization does the payroll. To fulfill that responsibility, the school must keep copies of time sheets and payroll vouchers and keep evidence that the students were actually paid (usually copies of the canceled checks or receipts signed by the students). (Payroll records are discussed in detail later in this chapter.)

The school is also responsible for ensuring that each student's work is properly supervised. School officials should periodically visit each off-campus organization with which they have an off-campus agreement to determine whether students are doing appropriate work and whether the terms of the agreement are being fulfilled.

The agreement must state whether the school or off-campus organization is liable for any on-the-job injuries to the student. The employer is not automatically liable. Federal FWS funds cannot be used to pay an injured student's hospital expenses.

In determining whether to continue an off-campus agreement, many schools have found it helpful to require that students submit a formal evaluation of their work experience at the end of the assignment. The school may also use the evaluation to help off-campus agencies improve their work programs.

Staff members of the off-campus organization must become acquainted with a school's financial aid and student employment programs to better understand the school's educational objectives. The school must supply the off-campus organization with this information.

ADMINISTRATIVE COST ALLOWANCE

Administrative costs cite
34 CFR 673.7(f)

A school participating in the FWS Program is entitled to an administrative cost allowance (ACA) if it provides FWS employment to its students in that award year. (See volume 4 for additional information.) The allowance may be used to help offset administrative costs such as salaries, furniture, travel, supplies, and equipment.

A school may use up to 10% of the ACA attributable to the school's FWS Program expenditures to pay administrative costs of conducting its community service program. These costs may include the costs of:

- developing mechanisms to ensure the academic quality of a student's experience;
- ensuring student access to educational resources, expertise, and supervision necessary to achieve community service objectives; and
- collaborating with public and private nonprofit agencies and programs assisted under the National and Community Service Act of 1990, in the planning, development, and administration of these programs.

A school may use a portion of its administrative cost allowance (ACA) to cover the costs of training an FWS tutor. A school may also use a portion of its ACA to cover expenses that are related to employing a student as a tutor with a local school district and that the school may not incur with another organization. If, for example, a school district requires all employees to undergo a background check and be fingerprinted at a cost of $40 per employee, the postsecondary school may use a portion of its ACA to cover this cost. The FWS Program does not provide for any additional funds beyond the ACA for technical assistance and training of tutors.

RECORD-KEEPING REQUIREMENTS

Record-keeping requirements cite
34 CFR 675.19(b)

Schools must adhere to the record-keeping requirements in the General Provisions (see volume 2). Additional requirements specific to the FWS Program follow.

The school must establish and maintain an internal control system of checks and balances that insures that no office can both authorize FWS payments and disburse FWS funds to students.

If the school uses a fiscal agent for FWS funds, that agent may perform only ministerial acts.

Each year the school must submit a *Fiscal Operations Report* and other information the Department requires. The information must be accurate and must be provided on the form and at the time the Department specifies. (See volume 4 for a discussion of the FISAP.)

Payroll records

In school records, schools must distinguish expenditures for FWS compensation from other institutional expenditures. You should enter FWS compensation on a separate voucher or, if listed on the general payroll voucher, you should group FWS compensation separately from other compensation. If payrolls are handled on automatic data processing equipment, you should identify FWS with a special code.

You must establish and maintain program and fiscal records that are reconciled at least monthly. The records must include:

- a payroll voucher containing sufficient information to support all payroll disbursements;
- a noncash contribution record to document any payment of the school's share of the student's earnings in the form of services and equipment; and
- a certification by the student's supervisor, an official of the school (or off-campus agency) that each student has worked and earned the amount being paid. Your school may use an electronic certification process described below. The school may still continue to have the FWS student's supervisor sign a paper certification. If the students are paid on an hourly basis, the certification must include or be supported by a time record showing the hours each student worked in clock time sequence, or the total hours worked per day.

Electronic certification

As noted above, a school may use an electronic certification by an FWS student's supervisor that the student has worked and earned the amount being paid. This electronic certification enables a school to implement an electronic payroll system for its FWS students.

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A school that uses an electronic certification must adopt reasonable safeguards against possible fraud and abuse. The school should provide a secure electronic certification through an electronic payroll system that includes:

- password protection;
- password changes at set intervals;
- access revocation for unsuccessful log-ins;
- user identification and entry-point tracking;
- random audit surveys with supervisors; and
- security tests of the code access.

Payroll vouchers

Payroll vouchers must support all payroll disbursements and should provide space for the following information:

- the school's name and address;
- the starting and ending dates of the payroll period;
- the student's name;
- an identification of the student's job;
- the number of hours worked during the pay period;
- the hourly rate of pay for an undergraduate student;
- the hourly rate of pay or salary for a graduate student;
- the student's gross earnings;
- any compensation withheld for federal, state, county, or city taxes, and other deductions;
- any noncash payments;
- the student's net earnings;
- a check number, duplicate receipt, or other payment identification; and
- any overtime earnings (a student may be paid overtime with FWS funds).

Job descriptions

Each FWS position should have a job description that includes the following:

- the name and address of the student's employer (department, public agency, nonprofit organization);
- the purpose of the student's job;
- the student's duties and responsibilities;
- the job qualifications;

- the job's wage rate or range;
- the length of the student's employment (beginning and ending dates); and
- the name of the student's supervisor.

The job description has several purposes:

- It clearly defines whether the job qualifies under the FWS Program.
- It provides the information needed to explain the position to a student and to help him or her select the type of employment most closely related to his or her educational or career objectives.
- It helps the financial aid administrator, the student, and the supervisor determine the number of hours of work required at the specified wage rate to meet a student's financial need.
- It establishes a written record, for both student and employer, of the job's duties and responsibilities so that there will be no misunderstanding.

If a student is employed with an agency or organization that provides community services, the school should, as with any other FWS position, have a job description that includes the duties and the responsibilities. Schools should use the job description to verify that the job meets the definition of community services in the FWS regulations. (See chapter 5.)

Reading and mathematics tutors and family literacy activities

Your school must be able to identify the FWS students who performed reading or mathematics tutoring or family literacy activities. You must also be able to provide the job description that demonstrates that these students worked as reading or mathematic tutors of children or performed family literacy activities in a family literacy project, and you must have records supporting the hours worked and the amount paid to the FWS reading tutors.

Selecting Recipients & Assigning Jobs

CHAPTER 2

GENERAL STUDENT ELIGIBILITY REQUIREMENTS

To be eligible for a Federal Work-Study (FWS) job, a student must meet all eligibility requirements listed in *Volume 1 - Student Eligibility* and *Volume 4 - Campus-Based Common Provisions.* In addition, a student must have financial need; that is, his or her cost of attendance (COA) must be greater than his or her Expected Family Contribution (EFC). A financial aid administrator may not award FWS employment to a student if that award, when combined with all other resources, would exceed the student's need. (See chapter 3.) However, unlike the other two campus-based programs, the FWS Program does not require that priority be given to students who have **exceptional** financial need. In choosing students for FWS employment, schools must follow the selection procedures discussed in volume 4.

ASSIGNING JOBS

Academically relevant jobs cite
HEA Section 443(c)(4)

A school must make FWS jobs reasonably available to all eligible students at the school. To the maximum extent practicable, a school must provide FWS jobs that complement and reinforce each recipient's educational program or career goals.

In assigning an FWS job, a school must consider the student's financial need, the number of hours per week the student can work, the period of employment, the anticipated wage rate, and the amount of other assistance available to the student. While there is no minimum or maximum award, the amount for each student should be determined based on these factors.

See chapter 5 for more information on acceptable types of employment.

EMPLOYMENT CONDITIONS AND LIMITATIONS

Employment conditions and limitations prohibited cite
34 CFR 675.20(c)

The provisions discussed below apply to all work under FWS, whether on or off campus.

FWS employment must be governed by employment conditions, including pay, that are appropriate and reasonable according to the type of work performed, the geographic region, the employee's proficiency, and any applicable federal, state, or local law.

Minimum wage cite
Dear Colleague Letter CB-96-23, dated November 1996

FWS employers must pay students at least the federal minimum wage in effect at the time of employment ($5.15 as of September 1997). The Small Business Job Protection Act of 1996 established a subminimum, or training, wage that is lower than the minimum wage. However, it is not permissible to pay the subminimum wage rate to students in FWS jobs.

FWS employment must not displace employees (including those on strike) or impair existing service contracts. Also, if the school has an employment agreement with an organization in the private sector, the organization's employees must not be replaced with FWS students. Replacement is interpreted as displacement.

FWS positions must not involve constructing, operating, or maintaining any part of a building used for religious worship or sectarian instruction. In determining whether any FWS employment will violate this restriction, a school should consider the purpose of the part of the facility in which the work will take place and the nature of the work to be performed. If the part of the facility in which the student will work is used for religious worship or sectarian instruction, the work cannot involve construction, operation, or maintenance responsibilities. If that part of the facility is not being used for religious worship or sectarian instruction, the school should make sure that any work the student will perform meets general employment conditions and that other limitations are not violated.

Fees or commissions prohibited cite
34 CFR 675.27(b)

Neither a school nor an outside employer that has an agreement with the school to hire FWS students may solicit, accept, or permit soliciting any fee, commission, contribution, or gift as a condition for a student's FWS employment. However, a student may pay union dues to an employer if they are a condition of employment and if the employer's non-FWS employees must also pay dues.

The Fair Labor Standards Act of 1938, as amended, prohibits employers (including schools) from accepting voluntary services from any paid employee. Any student employed under FWS must be paid for all hours worked.

Internships, practica, or assistantships cite
34 CFR 675.20(d)

A student may earn academic credit as well as compensation for FWS jobs. Such jobs include but are not limited to internships, practica, or assistantships (e.g., research or teaching assistantships). However, a student employed in an FWS job and receiving academic credit for that job may not be:

- paid less than he or she would be if no academic credit were given;
- paid for receiving instruction in a classroom, laboratory, or other academic setting; and
- paid unless the employer would normally pay the person for the same job (see sidebar example).

Example of an internship that normally doesn't qualify as an FWS job

Bernadette is employed as a student teacher at Stubbs College. Because the school doesn't normally pay persons in such positions, the internship doesn't qualify as an FWS job.

FWS EMPLOYMENT DURING PERIOD OF NONATTENDANCE

A student may be employed under FWS during a period of nonattendance, such as a summer or equivalent vacation period or the full-time work period of a cooperative education program. To be eligible for this employment, a student must be planning to enroll (or to reenroll) for the next regular session. The student's earnings during this period of nonattendance (earnings minus taxes and job-related costs) must be used to pay his or her cost of attendance for the next period of enrollment.

Work during nonattendance cite

34 CFR 675.25(b)

A student whose eligibility for summer FWS employment was based on anticipated enrollment in the subsequent term may fail to register or may decide to attend another school. When a student fails to register for the subsequent term, the school that employed the student must be able to demonstrate that the student was eligible for employment and that the school had reason to believe the student intended to study at that school in the next term. At minimum, the school that employed the student must keep a written record in its files showing that the student had accepted the school's offer of admittance in the upcoming session.

A student in an eligible program of study abroad may be employed during the summer preceding the study abroad if he or she will be continuously enrolled in his or her American school while abroad and if the student's study is part of the American school's own program. In such a case, a student may be employed in a qualified position in the United States, at the American school's branch campus in a foreign country, at a U.S. government facility abroad, or in an American company abroad.

CHAPTER 3

Calculating FWS Awards

A student must have financial need to be eligible for a Federal Work-Study job; that is, the student's cost of attendance must be more than the amount of his or her expected family contribution. Procedures for determining a student's cost of attendance and eligibility for aid from Federal Student Aid programs are discussed in Volume 1 - Student Eligibility.

DETERMINING THE FWS AWARD AMOUNT

Your school must determine an appropriate award amount for each student offered employment under the Federal Work-Study (FWS) Program. The FWS award amount provided to a student reflects the gross FWS earnings that a student may earn. A financial aid administrator may not award FWS employment to a student if the net earnings of that award amount, when combined with all other resources, would exceed the student's financial need.

Maximum FWS Award Calculation

	Financial Need
(-)	**Other resources**
=	**Maximum FWS Award**

Resources, as defined in the campus-based regulations, are listed in *Volume 4 - Campus-Based Common Provisions.* Net earnings from need-based employment are considered a resource. **Need-based** employment is employment that is awarded by the school itself or by another entity to a student who demonstrates a financial need for these funds for the purpose of paying his or her cost of attendance (COA). Examples of need-based employment would be employment under the FWS Program, employment under the U.S. Department of Veterans Affairs' work-study program and employment with a state if that employment is based on the student's financial need for assistance to pay for educational expenses.

Non-need-based employment earnings are not considered to be a resource for the current award year because they will be reported on the Free Application for Federal Student Aid (FAFSA) for the subsequent award year and will be used to determine the expected family contribution (EFC) for the subsequent award year. An example of non-need-based employment would be a job a student locates on her own with a private employer such as a local grocery store.

To prevent an overaward, your school must monitor each student's earnings from need-based employment to determine whether the student's need has been met. Your school does this by reviewing payroll records of disbursements to the student under the FWS Program and any other need-based employment program. The school's FWS fiscal records must be reconciled at least monthly.

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Calculating Maximum Gross Earnings Example

Chris has unmet financial need of $1,000 at Peterson University. Because Chris has a Social Security tax of 7.65% (that will not be refunded) and $108 in job-related costs, the school may allow Chris to earn an FWS award amount that is higher than his $1,000 unmet financial need in order for him to earn the allowable $1,000 net FWS earnings.

To calculate the FWS award amount to reflect the maximum gross FWS earnings that Chris may earn without the net FWS earnings exceeding the student $1,000 financial need, the school must do the following:

1. Add the amount of job-related costs to the amount of his unmet need ($108 + $1,000 = $1,108) for a total of $1,108.

2. Account for the Social Security tax by determining that his net FWS earnings are 92.35% of his gross earnings (100% - 7.65% = 92.35%) or (.9235).

3. Divide the total in step 1 by the ratio in step 2 ($1,108/.9235 = $1,199.78) for a result of $1,199.78 ($1200 after rounding).

Peterson University may give Chris a $1,200 FWS award and his net FWS earnings will not exceed his $1,000 unmet financial need.

Taxes and job-related costs cite
34 CFR 675.25(a)

Your school may determine the student's **net** FWS earnings by subtracting taxes (those that will be withheld and **not** refunded) and job-related costs from the student's **gross** FWS earnings. If you are certain that the student's federal or state taxes paid will be refunded, you should not subtract those taxes paid from the student's gross earnings.

Job-related costs are costs the student incurs because of his or her job. Examples of job-related costs include uniforms, the cost of meals at work, and transportation to and from work. For work during vacation periods, job-related costs can include room and board as long as the FWS student incurs these costs only because of the FWS employment. For example, room and board during the summer **cannot** be included in job-related costs if the FWS student also takes summer courses.

When a student must pay taxes and job-related costs, you may award the student an FWS award amount that is higher than her unmet need in order to assure that her net FWS earnings are sufficient to meet this need. To correctly calculate the maximum gross FWS earnings that a student may earn without the new FWS earnings exceeding her financial need, see the sidebar example. It is important that you document the determination of allowable costs and keep that information in the FWS student's file.

Work during nonattendance cite
For further information about working during vacation periods or periods of nonattendance, see "FWS Employment During Periods of Nonattendance," in chapter 2 of this volume.

If the student works during a vacation or other period when he or she is not attending classes, his or her net FWS earnings (gross earnings minus taxes and job-related expenses) from that period must be counted toward payment of the student's COA for the next enrollment period (see chapter 5).

You should tell each FWS recipient what the amount of his or her estimated net FWS earning will be and explain that this is the amount that will count towards his or her financial need to pay the student's COA. Of course, at the end of a student's employment, you will need to review the estimate to see if it was accurate and make adjustments if it was not.

FWS OVERAWARDS AND RESOURCES

Regulatory provisions regarding overawards and resources are in 34 CFR 673.5. A list of resources and a detailed discussion of the treatment of overawards in the campus-based programs, including FWS, is included in volume 4.

Paying Students

CHAPTER 4

Schools must pay Federal Work-Study students in accordance with the provisions of the Federal Work-Study Program. For information about determining the federal share and institutional share of Federal Work-Study payments to students, refer to chapter 1.

ESTABLISHING WAGE RATES

Wage rate cite
34 CFR 675.24

Undergraduate students are paid Federal Work-Study (FWS) wages on an hourly basis only. Graduate students may be paid by the hour or may be paid a salary. Regardless of who employs the student, the **school** is responsible for making sure the student is paid for work performed.

School responsibility cite
34 CFR 675.16(a)(10)

A school should determine the number of hours a student is allowed to work based on the student's financial need and on how the combination of work and study hours will affect the student's health and academic progress. There are no statutory or regulatory limits on the number of hours per week or per payment period a student may work, provided no overaward occurs. (See *Volume 4 - Campus-Based Common Provisions.*)

Minimum wage cite
34 CFR 675.24(b)
Dear Colleague Letter CB-96-23, dated November 1996

A student must be paid at least the federal minimum wage in effect at the time of employment ($5.15 as of September, 1997), but there is no maximum wage rate. As noted in chapter 1, it is not permissible to pay a lower "subminimum" or "training" wage to students in FWS jobs. A school may not count fringe benefits as part of the wage rate and may not pay a student commissions or fees. In determining an appropriate rate, the school must consider the following:

- the skills needed to perform the job;
- how much persons with those skills are paid in the local area for doing the same type of job;
- rates the school would normally pay similar non-FWS employees; and
- any applicable federal, state, or local laws that require a specific wage rate.

A student's need places a limit on the total FWS earnings permissible but has no bearing on his or her wage rate. It is not acceptable to base the wage rate on need or on any other factor not related to the student's skills or job description. If a student's skill level depends on his or her academic advancement, the school may pay a student on that basis. For example, a junior or third-year lab student may be paid a higher rate than a sophomore or second-year lab student. However, in most cases, students performing jobs comparable to those of other employees should be paid comparable wages, whether the other employees are students at different class levels or are regular employees.

PAYMENT FOR TRAVEL AND/OR TRAINING

Training and travel cite
34 CFR 675.18(h)

A student may be paid for a reasonable amount of time for **training** for any FWS employment and **travel** that is directly related to a community service job.

Training: Since every job consists of some type of training, whether formal or informal, FWS students may be paid wages during a training period that is directly related to the FWS job and is conducted for a reasonable length of time. This policy applies regardless of the type of FWS job the student worked.

A reasonable training period is one that occurs immediately prior to the student beginning regular duties of the FWS employment and does not exceed approximately 20 hours. Students may also be compensated for a reasonable amount of time to perform ongoing training activities (i.e., preparation and evaluation time) necessary to accomplish their jobs.

See chapter 5 for acceptable training periods for reading tutorships.

Travel: Students may be paid for a reasonable amount of time spent for travel that is directly related to employment in community service activities. Time spent for travel should be reported on the student's FWS time record in the same way hours actually worked are currently reported. It is recommended that schools provide their students with a time record that separates time spent in travel from actual hours worked.

DISBURSEMENT

A school must pay a student at least once a month. The school may use any type of payroll period it chooses, provided students are paid at least monthly. It is a good idea to have the FWS payroll correspond to other similar payrolls at the school. Unless you are paying the student with noncash contributions (see below), you must pay the nonfederal share to the student at the same time you pay the federal share. (See chapter 1 for a discussion of federal and institutional shares of FWS compensation.)

Payment to students cite
34 CFR 675.16

Your school can pay a student by check or similar method[1] that requires the student's endorsement. Upon the student's request, you can also make payments directly to the student's bank account or credit the student's school account for tuition and fees, room and board (**if contracted by the student through the school**), and other institutionally provided goods and services.

The school also has the option of paying its share of a student's FWS wages in the form of a noncash contribution of services or equipment—for example, tuition and fees, room and board, and books and supplies. If a school has assessed a charge against a student who is employed under FWS (such as a parking fine or library fine), the school may not include forgiveness of such a charge as part of the school's noncash contribution for the student.

If the school pays a student its share of FWS wages for an award period in the form of a **noncash contribution** (tuition, fees, services, or equipment), it must do so before the student's final payroll period of the award period. If the school pays its share for a forthcoming academic period in the form of **prepaid tuition**, fees, services, or equipment, it must give the student—again, before the end of the student's final payroll period—a statement of the amount of the noncash contribution earned.

When a payment period is in two award years (that is, when it begins before and ends after July 1), the student is ordinarily paid for compensation earned through June 30 with funds allocated for the first award year and for compensation earned beginning July 1 with funds allocated for the following award year. (See chapter 1 for a discussion of carrying back funds for summer employment.)

Payment period in two award years example
John's payment period extends from June 15, 2002 to July 15, 2003. Caravello College pays John with its 2001-2002 allocation through June 30 (the end of the 2001-2002 award year) and with its 2002-2003 allocation beginning July 1, 2002 (the beginning of the 2002-2003 award year).

Paying students from the correct award year is important; schools have been held liable when students were paid from the wrong FWS authorization. For audit and program review purposes, the school must have documentation (e.g., canceled checks, bank statements) in its files to show that students received payment in the amount charged to the FWS Program.

FWS wages are earned when the student performs the work. A school may pay the student after the last day of attendance for FWS wages earned while he or she was still in school. However, when a student has withdrawn from school, FWS funds may not be used to pay for work performed after the student withdrew. A correspondence student must submit the first completed lesson before receiving payment under the FWS Program.

A school may not obtain a student's power of attorney to authorize any disbursement of funds unless the U.S. Department of Education has granted prior approval. The Department would not grant such a power of attorney (to allow a school to act on behalf of a student) unless the school could demonstrate that there is no one else (such as a relative, landlord, or member of the clergy, for example) who could act on behalf of the student.

1. For example, the school may pay the student with a draft or purchase order or electronic transfer to the student's bank account.

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Payment to accounts cite
34 CFR 675.16

PAYMENT DIRECTLY TO STUDENT ACCOUNTS

Student authorization cite
34 CFR 675.16(a)(4)(i)

A school, upon obtaining a written authorization from a student, may make FWS payments directly to the student's account at a financial institution or the school to satisfy current award year charges for:

- tuition and fees;
- room and board, if contracted through the school; and
- other school-provided educationally related goods and services.

In addition, a school may credit a student's account to satisfy minor prior award year charges if these charges are less than $100, or if the payment of these charges does not and will not prevent the student from paying current educational costs.

In order to make FWS payments directly to the student's account at the school or to initiate an electronic funds transfer (EFT) to the student's bank account, the school must obtain written authorization from the student. The school must:

- not include the authorization as part of a list or in combination with other types of authorizations signed by the student;
- not require or coerce the student to provide the authorization;
- allow the student to cancel or modify the authorization at any time; and
- clearly explain how it will use the authorization.

The authorization to transfer funds to a student's account at the school must be separate from the authorization to have funds transferred to his or her bank account. For purposes of the authorization to transfer FWS funds to a student's bank account, the bank forms required to initiate a direct EFT deposit can be considered the authorization.

If the total amount of FWS funds credited exceeds the amount of tuition and fees, contracted room and board, and charges for other school-provided educationally related goods and services, the student must be paid the balance as soon as possible, but no later than 14 days after the balance occurred on the student's account.

HOLDING EXCESS FWS FUNDS ON BEHALF OF STUDENTS

Excess funds cite
34 CFR 675.16(a)(8)

With written authorization from a student, a school may hold, on behalf of the student, FWS funds that would otherwise be paid directly to the student (unless this is prohibited by the terms of a

reimbursement payment method) The restrictions for such an authorization are the same as those that apply to written authorizations for payments to student accounts (see above). If your school holds excess FWS funds on behalf of students, it must:

- identify the amount of FWS funds held in excess for each student in a designated subsidiary ledger account;
- maintain cash in its bank account that is always at a minimum equal to the FWS funds being held for students; and
- pay any remaining balance by the end of the school's final FWS payroll period for the award period.

GARNISHMENT OF WAGES

A student's FWS wages may be garnished only to pay any costs of attendance that the student owes the school or that will become due and payable during the period of the award. Schools must oppose any garnishment order they receive for any other type of debt; paying FWS funds in such cases would not be in compliance with the Federal Student Aid programs requirement that funds be used solely for educational purposes. As schools may not necessarily be the employers in an off-campus employment arrangement, they must adopt effective procedures to notify off-campus employers that garnishment of FWS wages for any debt other than a cost of attendance is not permissible.

Types of Employment

CHAPTER 5

Federal Work-Study (FWS) jobs may be on or off campus. Off-campus FWS jobs with federal, state, or local public agencies, or private nonprofit organizations must be in the public interest. Off-campus FWS jobs with private, for-profit organizations must be academically relevant to the maximum extent possible. Also, your school ***must*** *use at least 7% of its FWS allocation to employ students in community service jobs. (See chapter 1.)*

COMMUNITY SERVICE JOBS

Program Participation Agreement cite
34 CFR 675.8

Schools must make students aware of community service opportunities by encouraging them to get involved in community service activities. The program participation agreement also requires your school to work with local nonprofit, governmental, and community-based organizations to identify community service opportunities, including those that assist supportive services to students with disabilities, and inform Federal Work-Study (FWS) students of these opportunities (see chapter 1).

7% cite
34 CFR 675.18(g)

Your school must use at least 7% of its FWS allocation to employ students in community service jobs (see chapter 1). At least one of the FWS students your school employs to fulfill this requirement must work:

Reading tutor/family literacy project cite
34 CFR 675.18(g)

- performing family literacy activities in a family literacy project that provides services to families with preschool age children or elementary school children; or
- as a reading tutor for children who are preschool age or are in elementary school.

Employing an FWS student in these positions serves the needs of the community and gives the FWS student an enriching and rewarding experience. To further encourage schools to employ FWS students in these positions and as mathematics tutors, FWS regulations authorize a 100% federal share of FWS wages (see chapter 1).

How are community services defined?

Definition of community services cite
34 CFR 675.2(b)

Community services are defined as services that are identified by an institution of higher education through formal or informal consultation with local nonprofit, governmental, and community-based organizations, as designed to improve the quality of life for community residents, particularly low-income individuals, or to solve particular problems related to their needs. These services include:

Community service cite
Dear Colleague Letter CB-97-12, dated July 1997
Dear Colleague Letter CB-94-4, dated March 1994

- such fields as health care, child care, literacy training, education (including tutorial services), welfare, social services, transportation, housing and neighborhood improvement, public safety, crime prevention and control, recreation, rural development, and community improvement;
- work in service opportunities or youth corps as defined in Section 101 of the National and Community Service Act of 1990, and service in the agencies, institutions, and activities designated in Section 124(a) of that act;[1]
- support services for students with disabilities (including students with disabilities who are enrolled at the school[2]); and
- activities in which an FWS student serves as a mentor for such purposes as tutoring. (See "Employing Reading and Mathematics Tutors," in this chapter), supporting educational and recreational activities, and counseling, including career counseling.

To be considered employed in a community service job for FWS purposes, an FWS student does not have to provide a "direct" service. The student must provide services that are designed to improve the quality of life for community residents or to solve particular problems related to those residents' needs. A school may use its discretion to determine what jobs provide indirect or direct service to the community.

In determining whether the service is a community service, the school must always consider whether the service provided by the FWS student primarily benefits the community as opposed to the agency or school. See Appendix B for a model need assessment form that can be used with community service agencies.

The Department does not intend to indicate that certain activities are more important than others or that only jobs that have direct contact with community members are acceptable. For example, an FWS student working for a "meals on wheels" program may prepare meals for the program without having any direct contact with the community residents, yet the service he or she is providing is very important in meeting community needs.

There is no restriction as to whether these jobs must be on or off campus. However, a university or college is not considered a community for the purposes of the FWS Program community service requirements. On-campus jobs can meet the definition of community services, provided that the services are open and accessible to the community and that they meet the regulatory and statutory provisions pertaining to the applicable FWS Program employment limitations

1. At the end of this section are definitions of the terms "service opportunity" and "youth corps program" (as defined in Section 101 of the National and Community Service Act of 1990) and a list of agencies, institutions, and activities included in Section 124(a) of that act.

2. This is the only statutory exception to the requirement that community service be open and accessible to the community.

and conditions. A service is considered open to the community if the service is publicized to the community and members of the community use the service. For example, an on-campus day care service or tutor center that is used by members of the community (not just faculty and staff) can be considered a community service.

If a school provides community services through off-campus sites, these services are considered community services as long as the services are open to the community.

Private, for-profit organizations do not qualify as employers for community service under the FWS Program.

In contacting potential community service agencies, schools should place a priority on jobs that will meet the human, educational, environmental, and public safety needs of low-income individuals. The Department has determined that at this time there is no need to burden schools with a formal definition of low-income individual for purposes of providing community service under the FWS Program. There is no statutory requirement that a particular number or proportion of the individuals must be low-income persons. Some examples of jobs that provide services to persons in the community who may not necessarily be low-income individuals are jobs that provide supportive services to students with disabilities or that prevent or control crime.

What is a family literacy project? How are family literacy activities defined?

Family literacy project definition cite

Dear Colleague Letter CB-98-6, dated May 1998

Research shows that children whose parents work with them on literacy skills during early childhood have a better chance of reading well and independently. The family literacy concept recognizes the family as an institution for education and learning and the role of parents as their children's first teachers.

A family literacy program integrates four components. It provides:

i) literacy or pre-literacy education to children,

ii) literacy training for parents or other caregivers of children in the program

iii) a means of equipping parents or other caregivers with the skills needed to partner with their children in learning, and

iv) literacy activities between parents or other caregivers and their children.

This definition is consistent with the Even Start and Head Start definitions of family literacy programs.

The Department does not define "family literacy activities" for purposes of the community service expenditure requirement or the waiver of the institutional share requirement. The Department gives schools reasonable flexibility to determine the job description and duties for an FWS student performing family literacy activities.

Family literacy activities are not limited to just tutoring positions. For example, family literacy activities may include training tutors, performing administrative tasks such as coordinating the tutors, or working as an instructional aide who prepares the materials for the project. However, it would not be reasonable to include janitorial or building repair jobs as family literacy activities.

Employing FWS students as reading and mathematics tutors

Reading reform cite
34 CFR 675.18(g)(3)

Reading and math tutors cites
Dear Colleague Letter CB-97-12, dated July 1999
Dear Partner Letter CB-99-12, dated July 1997

When employing students as reading tutors, schools must, to the maximum extent possible, give placement priority to schools that are participating in a reading reform project that is (1) designed to train teachers how to teach reading on the basis of scientifically-based research on reading; and (2) is funded under the Elementary and Secondary Education Act of 1965. The school must further ensure that reading tutors receive training from the employing school in the instructional practices used by the school.

There is no limit on the amount of funds a school can spend from its FWS allocation to pay FWS tutors.

For more information, see Frequently Asked Questions (FAQs) at the end of this chapter.

WORK ON CAMPUS

On-campus employment cite
34 CFR 675.21

A student may be employed on campus at any type of postsecondary institution, including at a proprietary school. A school, other than a proprietary school, may employ a student to work for the school itself, **including** certain services for which the school may contract, such as food service, cleaning, maintenance, and security. Work for the school's contractors is acceptable as long as the contract specifies the number of students to be employed and specifies that the school selects the students and determines their pay rates. A proprietary school also may employ a student to work for the school itself with certain restrictions (discussed below under "On-Campus or Off-Campus Work for Proprietary School").

At any **private nonprofit or public school**, an FWS student may be assigned to assist a professor if the student is doing work the school would normally support under its own employment program. Having a student serve as a research assistant to a professor is appropriate, as long as the work is in line with the professor's official duties and is considered work for the school itself. However, in a **proprietary school**, a student may not assist an instructor, as instructional activities are not considered student services.

Normally, employment in a foreign country is not permissible under the law. However, a school with a branch campus in a foreign country may employ students under FWS if the branch has its own facilities, administrative staff, and faculty. Students may also be

employed by a U.S. government facility such as an embassy or a military base. A student may not be employed for a nonprofit organization in a foreign country.

ON-CAMPUS OR OFF-CAMPUS WORK FOR PROPRIETARY SCHOOL

Proprietary school employment cite
34 CFR 675.21(b)

A proprietary school may employ a student to work for the school itself but only in jobs that meet certain criteria:

1. If the jobs are in community service, they may be either on or off campus. Students employed by a proprietary school and performing community service do not have to furnish student services that are directly related to their education.
2. If the jobs are **not** in community service, they must be on campus and must:
   - provide student services,
   - complement the student's educational program or vocational goals to the maximum extent possible, and
   - not involve soliciting potential students to enroll at the proprietary school.

Student services definition cite
34 CFR 675.2(b)

The regulations define student services as services that are offered to students and that are directly related to the student's training or education. For example, jobs that provide student services may include, but are not limited to, jobs in a financial aid office or library, peer guidance counseling, and jobs providing social and health services or tutorial services. However, work in the admissions or recruitment area of a school is not acceptable, as this employment could involve soliciting potential students. Maintenance (cleaning dorms) is not acceptable. In general, work that would primarily benefit the school rather than its students is not permissible. For example, a student may not work in the front reception area or in the business office of a school, as those jobs do not provide student services. As stated earlier, a student may not assist an instructor, as instructional activities are not considered student services.

WORK OFF CAMPUS FOR NONPROFIT OR GOVERNMENT AGENCY

Off-campus/nonprofit/ government jobs cite
34 CFR 675.22

If a student is employed off campus by a federal, state, or local public agency[3] or by a private nonprofit organization, providing jobs related to the student's academic or vocational goals is encouraged, but not required. However, the work performed **must be in the public interest**. Work in the public interest is defined as work performed for the welfare of the nation or community, rather than work performed for a particular interest or group.

3. Local public agencies include city or county government offices, public schools, community-owned hospitals, public libraries, and community centers.

A private nonprofit organization is one in which no part of the net earnings of the agency benefits any private shareholder or individual. An organization must be incorporated as nonprofit under federal or state law. A school classified as a tax-exempt organization by either the federal or state Internal Revenue Service meets this requirement. Examples of private nonprofit organizations generally include hospitals, daycare centers, halfway houses, crisis centers, and summer camps.

Nonprofit agencies do not qualify automatically as community service employers for purposes of the FWS Program because the work performed must meet the definition of community services in the regulations. A list of programs or activities that are recognized as appropriate work in community services under the FWS Program is included at the end of this section. In addition, work off campus for a nonprofit agency must be in the public interest.

Work is not "in the public interest" if:

- it primarily benefits the members of an organization that has membership limits, such as a credit union, a fraternal or religious order, or a cooperative;
- it involves any partisan or nonpartisan political activity or is associated with a faction in an election for public or party office;
- it is for an elected official unless the official is responsible for the **regular** administration of federal, state, or local government;
- it is work as a political aide for any elected official;
- a student's political support or party affiliation is taken into account in hiring him or her; or
- it involves lobbying on the federal, state, or local level.

However, in deciding whether work is in the public interest, schools must consider the nature of the work as well as that of the organization. For example, a private nonprofit civic club may employ a student if the student's work is for the club's community drive to aid handicapped children. If the student's work is confined to the internal interests of the club, such as a campaign for membership, the work would benefit a particular group and would not be in the public interest. As another example, a student may work for a private nonprofit membership organization, such as a golf club or swimming pool, if the general public may use the organization's facilities on the same basis as its members. If only members may use the facilities, FWS employment is not in the public interest.

Political activity, whether partisan or nonpartisan, does not qualify as work in the public interest. For example, a student is not considered to be working in the public interest if working at voting polls—even if he or she only checks off the names of those who came to vote and

does not pass out flyers supporting a particular candidate. Also, a student is not considered to be working in the public interest if working to support an independent candidate. Another example of nonpartisan political activity is work for a city political debate.

Working for an elected official as a political aide also does not qualify as work in the public interest. For example, a student could not represent a member of Congress on a committee. However, a student could be assigned to the staff of a standing committee of a legislative body or could work on a special committee, as long as the student would be selected on a nonpartisan basis and the work performed would be nonpartisan.

Under certain circumstances, work for an elected official responsible for the **regular administration** of federal, state, or local government may be considered to be in the public interest. "Regular administration" means the official is directly responsible for administering a particular function. Such a person would not create, abolish, or fund any programs, but would run them. Working for a sheriff would be acceptable, as would working for an elected judge (because he or she has direct responsibility for the judicial system). As stated above, any **political** activity would not be acceptable—raising funds for the official's reelection, for example. An FWS position that involves lobbying at the federal, state, or local level is not work in the public interest.

FWS students are prohibited from working for the Department due to the potential appearance of conflict of interest.

WORK OFF CAMPUS FOR PRIVATE FOR-PROFIT COMPANIES

Off-campus/for-profit companies cite
34 CFR 675.23

Schools also may enter into agreements with private for-profit companies to provide off-campus jobs for students; however, these jobs must be academically relevant, to the maximum extent practicable, to the student's program of study. (A student studying for a business administration degree could work in a bank handling customer transactions, for example.) Private for-profit organizations do not qualify as employers for community service under the FWS Program.

Private for-profit organizations may not hire FWS employees to replace regular employees.

Chapter 1 describes further limitations on the use of FWS funds to pay students employed at private for-profit organizations.

ESTABLISHING FWS COMMUNITY SERVICE JOBS

Step #1: Identify potential jobs and employers.

Identify jobs

Brainstorm types of jobs that would meet the community service requirement.

Does your school currently place students in jobs, on campus or off campus, that meet the community service definition?

Communicate the community service requirements to your school's student employment office.

Identify employers

Does your school currently coordinate with local community service organizations? Which of these organizations might be interested in employing your FWS students?

Contact local nonprofit, governmental, and community-based organizations to assess their needs and determine what interest exists for employing FWS students.

Talk to colleagues

Talk to colleagues at institutions that participated in the expired Community Service Learning Program to get ideas on implementing, locating, and developing the community service jobs.

Step #2: Research your students' interest in community service.

Research your FWS students' degrees or certificate programs, interests, and skills to determine which recipients might find community service jobs appealing.

Step #3: Promote community service jobs.

Devise a plan to market community services under the FWS Program to eligible student employers and the community:

- obtain a listing of potential community service agencies,
- ask to be a presenter at various organizations' meetings,
- engage in networking activities,
- hold and attend job fairs,
- host a financial aid office "open house," and
- visit local agencies.

TERMS USED IN THE DEFINITION OF COMMUNITY SERVICES

The definition of community services includes the terms "service opportunity" and "youth corps program." Section 101 of the National and Community Service Act of 1990 defines the terms as follows:

Service opportunity. A program or project, including a service learning program or project, that enables students or out-of-school youth to perform meaningful and constructive service in agencies, institutions, and situations where the application of human talent and dedication may help to meet human, educational, linguistic, and environmental community needs, especially those relating to poverty.

Youth corps program. A program, such as a conservation corps or youth service program, that offers full-time, productive work (to be financed through stipends) with visible community benefits in a natural resource or human service setting and that gives participants a mix of work experience, basic and life skills, education, training, and support services.

LIST OF AGENCIES, INSTITUTIONS, AND ACTIVITIES INCLUDED IN THE DEFINITION OF COMMUNITY SERVICES

The definition of "community services" includes service in agencies, institutions, and activities that are designated in Section 124(a) of the National and Community Service Act of 1990:

1. Conservation corps programs that focus on:
   - conservation, rehabilitation, and the improvement of wildlife habitat, rangelands, parks, and recreation areas;
   - urban and rural revitalization, historical and site preservation, and reforestation of both urban and rural areas;
   - fish culture, wildlife habitat maintenance and improvement, and other fishery assistance;
   - road and trail maintenance and improvement;
   - erosion, flood, drought, and storm damage assistance and controls;
   - stream, lake, waterfront harbor, and port improvement;
   - wetlands protection and pollution control;
   - insect, disease, rodent, and fire prevention and control;
   - the improvement of abandoned railroad beds and rights-of-way;
   - energy conservation projects, renewable resource enhancement, and recovery of biomass;

- reclamation and improvement of strip-mined land;
- forestry, nursery, and cultural operations; and
- making public facilities accessible to individuals with disabilities.

2. Human services corps programs that include service in:
   - state, local, and regional governmental agencies;
   - nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, child and adult daycare centers, programs serving individuals with disabilities, and schools;
   - law enforcement agencies and penal and probation systems;
   - private nonprofit organizations that primarily focus on social service such as community action agencies;
   - activities that focus on the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training that benefits educationally disadvantaged individuals, weatherization of and basic repairs to low-income housing including housing occupied by older adults, energy conservation (including solar energy techniques), removal of architectural barriers to access by individuals with disabilities to public facilities, activities that focus on drug and alcohol abuse education, prevention and treatment, and conservation, maintenance, or restoration of natural resources on publicly held lands; and
   - any other nonpartisan civic activities and services that the commission determines to be of a substantial social benefit in meeting unmet human, educational, or environmental needs (particularly needs related to poverty) or in the community where volunteer service is to be performed; or
3. Programs that encompass the focus and services described in both paragraphs (1) and (2).

EMPLOYING FWS STUDENT AS TUTORS: FAQs

What are the requirements to be a 'reading tutor' or 'math tutor?'

The Department does not define 'tutor' for the FWS Program. This gives schools flexibility in determining the job description and duties of a tutor. For example, a reading tutor could be an FWS student who reads to a group of preschoolers in a public library.

An FWS student employed as a tutor does not have to meet certain statutory (for reading tutors) or regulatory (for reading and mathematics tutors) educational standards or qualifications for the school to receive an institutional-share waiver. However, an FWS reading or math tutor must have adequate reading or math skills, as appropriate, and the Department strongly recommends that the tutors be well trained before they tutor.

The Department does not require background checks of FWS tutors. However, some state and local jurisdictions may require such checks. The requirements will vary according to the agency or organization involved.

What is a 'pre-school age child?'

A preschool-age child is a child from infancy to the age at which his or her state provides elementary education. The definition of an elementary school varies from state to state. Because the Department does not wish to interfere with a state's determination of what constitutes children who are in elementary school, we will not provide guidance on the maximum grade level for elementary school for purposes of the institutional-share waiver for tutoring.

What setting must the tutoring take place in?

Tutoring may be one-on-one or in a group.

Tutoring sessions can take place in a school setting or another location, such as a public library or community center. Tutoring sessions can be held during regular school hours, after school, on weekends, or in the summer.

Can FWS students tutor children in parochial schools?

An FWS student can tutor a child in a parochial school under certain conditions:

- The parochial school must be classified as a private, nonprofit school by the Internal Revenue Service or a state taxing body;
- The work may not involve constructing, operating, or maintaining any part of a building used for religious worship or sectarian instruction; and
- The FWS tutor may not use religious material to tutor the child.

EMPLOYING FWS STUDENT AS TUTORS: FAQs (cont'd)

Should tutors be trained?

The Department strongly recommends that the tutors be well trained before they tutor. When an FWS student receives training from a specialist or expert for sufficient duration and intensity, he or she is more likely to be successful with the child he or she is tutoring. Tutor training should emphasize the importance of the tutor's communication with the regular classroom teacher to maximize effectiveness. The amount and type of training will often vary, depending on the needs of the child who is being tutored and the subject being studied. (See chapter 1 for information on using the administrative cost allowance to pay for the cost of training tutors.)

Can students be paid while in training?

Under limited circumstances, an FWS tutor can receive FWS wages while he or she is being trained, and these wages can qualify for a waiver of the institutional share. This training period must be only for a reasonable and limited length of time. The Department would not consider a training period of an academic term to be reasonable. The Department would consider a reasonable training period to be one that occurs before the student begins tutoring and that does not exceed approximately 20 hours. A school may not pay an FWS student to take an academic course the school developed to provide classroom training on tutoring children. An FWS student may take such a course as long as he or she is not paid for taking the course. (34 CFR 675.18(h)) (See chapter 4 for more information.)

Can students be paid during preparation and evaluation activities?

The preparation time and evaluation time worked by an FWS tutor qualify for a 100% federal share as long as the time spent for this purpose is reasonable. For example, the Department would consider attending evaluation and preparation meetings once a week for approximately one hour to be reasonable. The Department wants to give some flexibility because of the value of evaluation and preparation time. However, the goal is to spend funds for FWS students to interact with the children and in family literacy programs, not for other activities.

Will a tutoring job always satisfy the community service requirement?

An FWS tutor job might qualify for a waiver of the institutional share (100% federal share) but not qualify as part of the 7% community service requirement. If, for example, a postsecondary school employs FWS students to tutor young children in its daycare center and the center is not open and accessible to the community, the job would qualify for the waiver, but would not qualify as part of the 7% community service requirement.

EMPLOYING FWS STUDENT AS TUTORS: FAQs (cont'd)

What if the FWS student is training tutors, performing related administrative tasks, or works another FWS job?

The wages of an FWS student who is training tutors or who is performing administrative tasks related to supporting other people who are actually providing the reading or mathematics tutoring do not qualify for a federal share of up to 100%; rather, an institutional share is required.

Remember that it is the FWS reading or mathematics tutor job, not the student working in the job that qualifies for the institutional-share waiver. Thus, an FWS student who is working another FWS job in addition to the tutor job can be paid with 100% federal funds only for the time he or she is working as a tutor, not for time spent on the other job. If, for example, an FWS student spends only half of his or her time working as a reading tutor (including preparation and evaluation time) and the other half on non-tutoring tasks, the student may be paid 100% federal funds only for half the time and the other half must be paid with a maximum of 75% federal funds and a minimum of 25% nonfederal funds.

How can my school start placing FWS students as tutors?

Your school may construct its own reading tutor program or join existing community programs.

You may use the Job Location and Development (JLD) Program to locate or develop jobs for FWS students as tutors of children (see chapter 6 of this volume). However, you may not use JLD funds exclusively for this purpose because you would be in violation of the JLD statutory requirement to expand off-campus jobs for currently enrolled students who want jobs regardless of their financial need. (See chapter 6.)

Job Location & Development and Work-Colleges

CHAPTER 6

JOB LOCATIONS AND DEVELOPMENT PROGRAM

JLD purpose cite
34 CFR 675.31

The Job Location and Development (JLD) Program is one of the FWS Programs. An institution is allowed to use part of the federal funds it receives under the FWS Program to establish or expand a JLD Program.

The JLD Program locates and develops off-campus job opportunities for students who are currently enrolled in eligible institutions of higher education and who want jobs regardless of financial need. This means that jobs may be located and developed under the JLD Program for FWS and non-FWS eligible students.

Under the JLD Program, your school must locate and develop off-campus jobs that are suitable to the scheduling and other needs of the employed student and must, to the maximum extent practicable, complement and reinforce the educational program or vocational goal of the student.

JLD jobs may be part time or full time, for either a profit or nonprofit employer.

The JLD Program encourages students to participate in community service activities. Your school must inform all eligible students of the opportunity to perform community services and must develop and make available information about community service opportunities. The JLD Program uses the same definition of community services that the FWS Program employs (see chapter 5). However, the JLD Program does not have a specific minimum community service requirement, as does the FWS Program.

JLD Program participation

A school that participates in the FWS Program is also eligible to participate in the JLD Program. A school that has an executed Program Participation Agreement (PPA) for the FWS Program may

participate in the JLD Program without any prior contact with the Department and without any revision to its PPA. Under the PPA, the school agrees to administer the JLD Program according to the appropriate statutory and regulatory provisions.

If the Department terminates or suspends a school's eligibility to participate in the FWS Program, that action also applies to the school's JLD Program.

Student eligibility

Any student employed in a job developed under the JLD Program must be currently enrolled at the school placing him or her in a job. A school may place in JLD jobs both students who do not meet FWS student eligibility criteria and those who do meet those criteria. However, using JLD funds to find jobs only for FWS students would not satisfy the program purpose of expanding off-campus jobs for students who want jobs regardless of financial need.

Use of FWS allocation for JLD Program

Maximum federal funds for JLD programs cite
34 CFR 675.32

When establishing or expanding a program to locate and develop off-campus jobs, including community service jobs, a school may use up to the lesser of the following two amounts:

- 10% of its FWS allocation and reallocation; or
- $50,000.

Use of JLD Program funds

Use of JLD funds cite
34 CFR 675.35(a)(2)

Your school may use federal JLD funds to pay for the cost of establishing and administering the JLD Program. You may not use JLD funds to:

- pay students whose jobs were located and developed through the JLD Program;
- locate and develop jobs at your school or other eligible schools;
- place students upon graduation; and
- displace employees or impair existing service contracts.

A school is expected to generate total student wages exceeding the total amount of the federal funds spent under JLD.

Federal share limitation

You may use federal FWS funds to pay up to 80% of the allowable costs (listed below). Your school must provide the remaining 20% of allowable costs either in cash or in services. This requirement, unlike the institutional share requirement for FWS earnings, cannot be waived.

Federal and institutional shares cite
34 CFR 675.33(b)
34 CFR 675.33(c)

The institution's 20% share may be either (1) 20% of each allowable cost, or (2) varying percentages of allowable costs, as long as its total expenditures of institutional funds and/or provision of services equals at least 20% of the total allowable costs for the JLD Program.

You must maintain records that indicate the amount and sources of your school's matching share. Procedures and records requirements for JLD are the same as those for all campus-based programs.

Allowable program costs

Allowable costs cite
34 CFR 675.33(a)

Allowable costs of carrying out the JLD Program include:

- staff salaries (and fringe benefits, if they are the same as those paid to other institutional employees in comparable positions and are not paid to a student employed through the FWS Program);
- travel expenses related to JLD activities;
- printing and mailing costs for brochures about the JLD Program;
- JLD telephone charges, including installation of a separate line for off-campus employers;
- JLD costs for supplies, equipment, and furniture;
- newspaper or other types of advertising that inform potential employers of the services JLD offers; and
- JLD workshops for students and employers.

Costs that are not allowable are costs related to purchasing, constructing, or altering the facilities that house a JLD project. Indirect administrative costs also are not allowable. One example of an indirect administrative cost is a portion of the salary of someone who is not directly involved in the program, such as the JLD director's supervisor. Other examples of indirect administrative costs are lighting, heating, or custodial costs incurred as part of the normal operations of the facility in which the JLD Program is administered, such as the financial aid or placement offices.

Students as staff in the program office

The prohibition against using JLD funds to locate and develop jobs at any school **does not** mean that your school is also prohibited from employing FWS and non-FWS students as staff in the JLD Program office. Your school may employ FWS and non-FWS students as staff in the JLD Program office as long as you do not use JLD funds to locate and develop these jobs. For example, your school could use the FWS Program to employ an FWS student as a staff member in the JLD Program office.

If your school places an FWS student as staff in the JLD Program office, there are some important points to note. The statute and the FWS regulations prohibit the use of any funds allocated under the FWS Program from being used to pay the institutional share of FWS compensation to its students. Hence, your school may not use federal JLD funds to pay the institutional share of FWS wages earned by an FWS student working as staff in the JLD Program office. Instead, you must use your school's funds to pay the institutional share of these wages and, since JLD allowable costs include staff salaries, you may count those funds in meeting the minimum 20% institutional share requirement for the JLD Program.

Finally, your school **may not** include student staff jobs in the JLD Office on the *Fiscal Operations Report and Application to Participate* (FISAP) in the JLD section for reporting the count of students and the earnings of students for whom jobs were located or developed through the JLD Program.

JLD reporting on the FISAP

If your school participates in the JLD Program during an award year, you must provide information about its JLD activities on the FISAP. You must report the total JLD expenditures, federal expenditures for JLD, institutional expenditures for JLD, number of students for whom jobs were located or developed, and total earnings for those students.

MULTI-INSTITUTIONAL JLD PROGRAMS

Multi-institutional programs cite
34 CFR 675.34

Your school may enter a written agreement with other eligible schools for those schools to establish and to operate a JLD Program for its students. The agreement must designate the administrator of the program and must specify the terms, conditions, and performance standards of the program. Each school that is part of the agreement retains responsibility for properly disbursing and accounting for the federal funds it contributes under the agreement.

For example, each school must show that its own students have earned wages that exceed the amount of federal funds the school contributed to locate and develop those jobs. This fiscal information must be reported on each school's FISAP.

If your school uses federal funds to contract with another school, suitable performance standards must be part of that contract. Performance standards should reflect each school's philosophy, policies, and goals for the JLD Program. You may not develop performance standards, conditions, or terms that are inconsistent with the statute or regulations. In all cases, the performance standards should be clearly understandable, because they will be included in the formal written agreement that each party must observe as part of its responsibility within the particular arrangement.

WORK-COLLEGES PROGRAM

Purpose of Work-Colleges Program cite
34 CFR 675.43

The Higher Education Amendments of 1992 authorized the Work-Colleges Program. Schools that satisfy the definition of "work-college" may apply with the U.S. Department of Education to participate in the program. A work-college may transfer funds from its allocation for the FWS Program and/or Federal Perkins Loan Program to fund the school's Work-Colleges Program.

Definition of work-college cite
34 CFR 675.41

The Work-Colleges Program recognizes, encourages, and promotes the use of comprehensive work-learning programs as a valuable educational approach when used as an integral part of the school's educational program and as a part of a financial plan that decreases reliance on grants and loans. The program also encourages students to participate in community service activities.

The term "work-college" is defined as an eligible institution[1] that:

- is a public or private nonprofit school with a commitment to community service;
- has operated a **comprehensive work-learning program** for at least two years;
- provides students participating in the comprehensive work-learning program with the opportunity to contribute to their education and to the welfare of the community as a whole;
- requires all students who reside on campus to participate in a comprehensive work-learning program; and
- requires providing services as an integral part of the school's educational program and as part of the school's educational philosophy.

Comprehensive student work-learning program definition cites:
HEA Section 448
34 CFR 675.41(b)

A "comprehensive student work-learning program" is defined as a student work/service program that:

- is an integral and stated part of the institution's educational philosophy and program;
- requires participation of all resident students for enrollment, participation, and graduation;
- includes learning objectives, evaluation, and a record of work performance as part of the student's college record;
- provides programmatic leadership by college personnel at levels comparable to traditional academic programs;
- recognizes the educational role of work-learning supervisors; and
- includes consequences for nonperformance or failure in the work-learning program similar to the consequences for failure in the regular academic program.

1. See *Volume 2 - Institutional Eligibility and Participation* for the definition of an eligible institution.

Allowable costs cite
34 CFR 675.45

Allowable costs

The Higher Education Amendments of 1998 provided for additional flexibility for work-colleges in the use of funds. Allocated program funds may be used to:

- support the educational costs of students through self-help provided under the work-learning program within the limits of their demonstrated financial need;
- promote the work-learning service experience as a tool of education and community service;
- carry out FWS and JLD program activities;
- administer, develop, and assess comprehensive work-learning programs;
- coordinate and carry out joint projects and activities to promote work service learning; and
- conduct a comprehensive longitudinal study of academic progress and academic and career outcomes.

Additional requirements for the Work-Colleges Program are found in 34 CFR 675, Subpart C.

Model Off-Campus Agreement

APPENDIX a

The paragraphs below are suggested as models for the development of a written agreement between a school and a Federal, State, or local public agency or a private nonprofit organization that employs students who are attending that school and who are participating in the Federal Work-Study (FWS) Program. Institutions and agencies or organizations may devise additional or substitute paragraphs as long as they are not inconsistent with the statute or regulations.

This agreement is entered into between _____, hereinafter known as the "Institution," and _____, hereinafter known as the "Organization," a (Federal, State, or local public agency), (private nonprofit organization), (strike one), for the purpose of providing work to students eligible for the Federal Work-Study Program [FWS].

Schedules to be attached to this agreement from time to time must be signed by an authorized official of the institution and the organization and must set forth—

1 brief descriptions of the work to be performed by students under this agreement;

2 the total number of students to be employed;

3 the hourly rates of pay, and

4 the average number of hours per week each student will be used.

These schedules will also state the total length of time the project is expected to run, the total percent, if any, of student compensation that the organization will pay to the institution, and the total percent, if any, of the cost of employer's payroll contribution to be borne by the organization. The institution will inform the organization of the maximum number of hours per week a student may work.

Students will be made available to the organization by the institution to perform specific work assignments. Students may be removed from work on a particular assignment or from the organization by the institution, either on its own initiative or at the request of the organization. The organization agrees that no student will be denied work or subjected to different treatment under this agreement on the grounds of race, color, national origin, or sex. It further agrees that it will comply with the provisions of the Civil Rights Act of 1964 (Pub. L. 88-352; 78 Stat. 252) and Title IX of the Education Amendments of 1972 (Pub. L. 92-318) and the Regulations of the Department of Education which implement those Acts. Two examples of Off-Campus Agreements are included to provide additional guidance.

(Where appropriate any of the following three paragraphs or other provisions may be included.)

1 Transportation for students to and from their work assignments will be provided by the organization at its own expense and in a manner acceptable to the institution.

2 Transportation for students to and from their work assignments will be provided by the institution at its own expense.

3 Transportation for students to and from their work assignments will not be provided by either the institution or the organization.

(Whether the institution or the organization will be considered the employer of the students covered under the agreement depends upon the specific arrangement as to the type of supervision exercised by the organization. It is advisable to include some provision to indicate the intent of the parties as to who is considered the employer. As appropriate, one of the following two paragraphs may be included.)[1]

1 The institution is considered the employer for purposes of this agreement. It has the ultimate right to control and direct the services of the students for the organization. It also has the responsibility to determine whether the students meet the eligibility requirements for employment under the Federal Work-Study Program, to assign students to work for the organization, and to determine that the students do perform their work in fact. The organization's right is limited to direction of the details and means by which the result is to be accomplished.

2 The organization is considered the employer for purposes of this agreement. It has the right to control and direct the services of the students, not only as to the result to be accomplished, but also as to the means by which the result is to be accomplished. The institution is limited to determining whether the students meet the eligibility requirements for employment under the Federal Work-Study Program, to assigning students to work for the organization, and to determining that the students do perform their work in fact.

(Wording of the following nature may be included, as appropriate, to locate responsibility for payroll disbursements and payment of employers' payroll contributions.)

Compensation of students for work performed on a project under this agreement will be disbursed—and all payments due as an employer's contribution under State or local workers' compensation laws, under Federal or State social security laws, or under other applicable laws, will be made—by the (organization) (institution) (strike one).

(Where appropriate any of the following paragraphs may be included.)

1 At times agreed upon in writing, the organization will pay to the institution an amount calculated to cover the organization's share of the compensation of students employed under this agreement.

2 In addition to the payment specified in paragraph (1) above, at times agreed upon in writing, the organization will pay, by way of reimbursement to the institution, or in advance, an amount equal to any and all payments required to be made by the institution under State or local workers' compensation laws, or under Federal or State social security laws, or under any other applicable laws, on account of students participating in projects under this agreement.

3 At times agreed upon in writing, the institution will pay to the organization an amount calculated to cover the Federal share of the compensation of students employed under this agreement and paid by the organization. Under this arrangement the organization will furnish to the institution for each payroll period the following records for review and retention:

a Time reports indicating the total hours worked each week in clock time sequence and containing the supervisor's certification as to the accuracy of the hours reported;

1. Although the following paragraphs attempt to fix the identity of the employer, they will not necessarily be determinative if the actual facts indicate otherwise. Additional wording that specifies the employer's responsibility in case of injury on the job may also be advisable, since federal funds are not available to pay for hospital expenses or claims in case of injury on the job. In this connection it may be of interest that one or more insurance firms in at least one state have in the past been willing to write a workers' compensation insurance policy which covers a student's injury on the job regardless of whether it is the institution or the organization that is ultimately determined to have been the student's employer when he or she was injured.

b A payroll form identifying the period of work, the name of each student, each student's hourly wage rate, the number of hours each student worked, each student's gross pay, all deductions and net earnings, and the total Federal share applicable to each payroll;[2] and

c Documentary evidence that students received payment for their work, such as photographic copies of canceled checks.

2. These forms, when accepted, must be countersigned by the institution as to hours worked as well as to the accuracy of the total Federal share which is to be reimbursed to the organization or agency.

Need Assessment for FWS Community Service Program

APPENDIX *b*

Agency Name:_____

Date:_____

Contact Name:___ _____

Phone:_____

Address:_____

1. _____ Non-Profit _____For Profit

2. Agency Mission Statement and Description of Clients Served:

_____

_____

_____

_____

3. Agency Funding Sources (check all that apply):

_____Federal

_____State

_____County/City

_____United Way

_____Other (explain)

4. Agency's Fiscal Year:_____ to _____

5. Agency's Staffing (number of positions):

_____Full-time paid staff

_____Part-time paid staff

_____Student employees

_____Volunteers

6. How many student jobs may be available at your agency during:

Summer 2002 _____

2002-2003 Academic Year _____

Summer 2003 _____

7. For each student job expected to be available as indicated in #6, provide the following information, attaching a separate sheet for each position.

Job Title

Rate or Range of Pay per Hour

Begin and End Dates

Work Schedule-Days and Hours

Total Hours/Week

Description of Duties

Qualifications and Experience (indicate preferred or required)

8. Has your agency hired students through the Federal Work-Study Program in the past?

_____YES _____NO

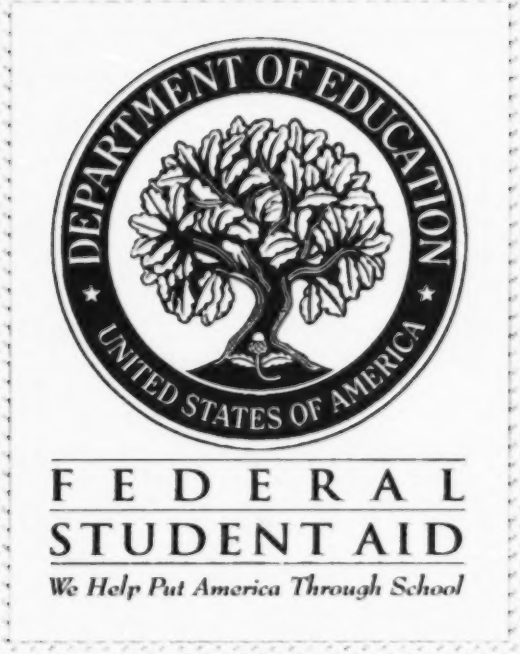
If YES:

Number of students: _____

Dates employed: _____

Average length employed: _____

9. Additional Comments:



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